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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION

3 -----x
4 UNITED STATES OF AMERICA :
5 Plaintiff :
6 versus : Criminal Action Number
7 PAUL J. MANAFORT : 1:18-CR-83
8 Defendant. :
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March 8, 2018

11 The above-entitled Arraignment Hearing was
continued before the Honorable T.S. Ellis, III, United States
District Judge.

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PROCEEDINGS

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3 THE DEPUTY CLERK: United States versus Paul J.
4 Manafort. Criminal Case Number 1:18-CR-83.

5 THE COURT: All right. Who's here for the special
6 prosecutor?

7 MR. WEISSMANN: Andrew Weissmann and Greg Andres.

8 THE COURT: All right. Now -- and who's here on
9 behalf of the defendant?

10 MR. DOWNING: Your Honor, Kevin Downing for Paul
11 Manafort.

12 THE COURT: All right. And Mr. Manafort is to your
13 right? Good afternoon, Mr. Manafort.

14 All right. You may be seated. Preliminarily let me
15 ask, you do have local counsel?

16 MR. WEISSMANN: We have been in communication with
17 the prosecutors in the Eastern District of Virginia and
18 they've been of great assistance. We had not anticipated for
19 the purpose of the trial having counsel from the Eastern
20 District of Virginia.

21 THE COURT: Yes, I don't think that's necessary.
22 But I do think it is helpful to the Court and it would be
23 helpful to you. Have you ever tried a case in this court?

24 MR. WEISSMANN: I have not.

25 THE COURT: How about your partner?

1 MR. WEISSMANN: I don't think he has either. But
2 we -- I can assure you we have had --

3 THE COURT: You've been in private practice?

4 MR. WEISSMANN: I've been in private practice --

5 THE COURT: And did you ever try a case in a
6 jurisdiction that you weren't familiar with where you didn't
7 have local counsel?

8 MR. WEISSMANN: Yes, I have.

9 THE COURT: That was a mistake, wasn't it?

10 MR. WEISSMANN: It may very well have been. I've
11 done that both in private practice and in the Government.

12 THE COURT: Well, I seem to recall. I worked many,
13 many years ago for someone I knew as Mr. Powell, you knew him
14 as Justice Powell. And he was very clear that only a fool
15 will try a case in the jurisdiction that he's unfamiliar with
16 without local counsel. There's a great deal to know about
17 that.

18 Now on the defense side, do you have local counsel?

19 Yes, I see him right behind you.

20 MR. DOWNING: Well, for today Mr. Barger has agreed
21 to come and sponsor me pro hac vice.

22 THE COURT: That's good.

23 MR. DOWNING: We have two lawyers that are Virginia
24 barred lawyers that will enter notice of appearance next week.

25 THE COURT: All right. That's fine. Mr. Barger has

1 the advantage of having tried cases here. And in fact, he's
2 even seen me on one or two occasions.

3 MR. BARGER: To my great fortune, Your Honor, yes.

4 THE COURT: Mr. Barger was a former or is a former
5 assistant U.S. Attorney.

6 MR. BARGER: It's good to see you again, Your Honor.

7 THE COURT: But he has answered the siren call of
8 money. He did public service, now he's doing personal
9 service.

10 MR. BARGER: I'd like to think of it as children and
11 money, Your Honor.

12 THE COURT: Let's get to this matter. Just a
13 moment.

14 (A brief interruption in the proceedings.)

15 THE COURT: All right. Let's begin. Let me ask Mr.
16 Weissmann, you helpfully provided a status report about a week
17 ago or two weeks ago.

18 Is there anything in that status report that needs
19 to be updated before we begin?

20 MR. WEISSMANN: There probably is. I think the most
21 salient thing is that Judge Amy Berman Jackson has set a trial
22 date of September 17th for the case that is before her. And I
23 think that may be the only thing that I think is pertinent.

24 THE COURT: All right. Thank you. Now Mr. Downing,
25 does your client waive formal reading of this indictment?

1 MR. DOWNING: He does, Your Honor.

2 THE COURT: And it is a 32-count indictment
3 involving everything from tax to failure to register foreign
4 bank accounts and failing to register -- just foreign bank
5 accounts, bank fraud, bank fraud conspiracy.

6 And how does he wish to plead to these counts?

7 MR. DOWNING: Not guilty, Your Honor.

8 THE COURT: And does he wish a jury trial?

9 MR. DOWNING: He does, Your Honor.

10 THE COURT: All right. Thank you, Mr. Downing.

11 Now Mr. Weissmann, how long do you think it would
12 take the Government to try this case?

13 MR. WEISSMANN: I believe it would take between 8
14 and 10 trial dates. The reason for not being sure is that we
15 will work with the defense to work out stipulations to try to
16 streamline certain issues.

17 THE COURT: All right. Typically I would set now
18 some motions dates, which I will after fixing a trial date.
19 But let me ask, how many witnesses do you anticipate you would
20 present?

21 MR. WEISSMANN: Judge, with the same admonition that
22 we will try to work things out so we don't need to call all
23 those witnesses, I think between 20 and 25.

24 THE COURT: To what extent does a trial of this
25 matter duplicate what's going on in the District of Columbia?

1 MR. WEISSMANN: That's an excellent question. I
2 think there are essentially two types of charges as the Court
3 alluded to. One is substantive tax charges and the other is
4 bank fraud. With respect to the substantive tax charges,
5 those are the subject of a conspiracy count in D.C. And we,
6 as we noted in the status report, had offered to bring the
7 substantive tax charges in D.C. precisely because of the
8 duplication and the defendant, as he has a right to do,
9 insisted that those charges be brought in the district where
10 there is proper venue. We did not believe and do not believe
11 there's proper venue for the substantive tax charges in D.C.

12 The bank fraud charges are not charged at all --

13 THE COURT: Is there a conspiracy charge in this
14 indictment that duplicates the one in the District of
15 Columbia?

16 MR. WEISSMANN: No, there is not.

17 THE COURT: Well, I take it it follows though, from
18 what you've said, that the conspiracy charge that currently
19 exists in the District of Columbia could have been brought
20 here?

21 MR. WEISSMANN: It could have been brought here.

22 THE COURT: Of course. Why should we try that
23 charge twice?

24 MR. WEISSMANN: So depending on which case goes
25 first, we raised that exact issue with -- because there are

1 other charges that are in the case before it, the D.C. judge,
2 that are properly venued and we think maybe exclusively venued
3 in that district. So there are charges in that case, what are
4 called FARA charges, the failure of registering as a foreign
5 agent that are brought in that case that are not here. But is
6 also here that is not in D.C. are all the bank fraud charges,
7 but substantive and conspiracy. Those are exclusively here
8 and need to be brought here.

9 THE COURT: Have you all met to discuss a sensible,
10 efficient way of separating these without having the defendant
11 waive his venue rights?

12 MR. WEISSMANN: We offered that. We had brought the
13 case in D.C. We told the defense exactly what charges we
14 propose to bring, the bank fraud charges. Walked the defense
15 through the nature of the evidence, both with respect to the
16 substantive tax fraud and the bank fraud, and gave the
17 defendant the choice of whether to bring those here or whether
18 to bring those in the case before Judge Amy Berman Jackson.

19 What we would propose is because these charges are
20 now brought here, at the defendant's election, is that a trial
21 be set and these cases go forward. And it's the -- if this
22 case were to go first, which is what we would like to see, and
23 within the speedy trial clock, then the issue would be for
24 Judge Amy Berman Jackson to decide what the ramifications
25 would be in that case. And she is quite aware of that issue

1 and raised that issue with the defense.

2 THE COURT: Thirty-two counts. At my stage in life
3 I spend a lot of time reminiscing. Looking forward isn't
4 productive. And the 32 counts that you brought remind me of
5 that gentleman over there on the wall behind you. All of you
6 were too young to have known him. I am not. I suffered under
7 him. He had -- he was very strong about counts in criminal
8 cases. In a case of this sort he would say, "No. Give me
9 your three best counts. That's all you're going to get."

10 I always thought that was, as he was criticized,
11 autocratic, dictatorial, mean-spirited, all of that. He was
12 sharply criticized. I don't think there's anybody in the
13 courtroom old enough to have known that. But I am and I was.
14 And I joined in some of that criticism as I was on that side
15 of the bench.

16 How ironic and somewhat fitting, I suppose, that I
17 sit here now 40, 50 years later and I look up at his portrait
18 and hear myself being criticized by the bar in exactly the
19 same terms I used to use: autocratic, dictatorial,
20 mean-spirited. It's ironic that I now look at him and I'm in
21 that position.

22 But in any event, 32 counts -- I don't do what he
23 does. I don't say just give me your three best counts, even
24 though I see some sense in that. And fairness as well.

25 But in any event, what is the speedy trial date?

1 MR. WEISSMANN: To answer your immediate question I
2 believe the speedy trial date is May 17th. I may be off by
3 one day. It may be May 16th. And then the other thing I'd
4 just like to point out, Your Honor, although the superseding
5 indictment before you is 32 counts, that was with respect to
6 two defendants. We had made a motion, that the Court granted,
7 to dismiss the counts with respect to Mr. Gates. So I can
8 already apprise the Court that we have slimmed down the case
9 so there are not 32 counts, there are only 18 with respect to
10 Mr. Manafort that would go to trial.

11 THE COURT: All right. And that, you said May 17th?

12 MR. WEISSMANN: I believe that's right.

13 THE COURT: Now Mr. Downing, any problem with
14 setting a trial date within the speedy trial deadline?

15 MR. DOWNING: I believe the Government has already
16 agreed under the proceeding that this is a complex case, so we
17 don't really think --

18 THE COURT: So your answer is, yes. There is a
19 problem, you need more time.

20 MR. DOWNING: I do. We do.

21 THE COURT: All right. Say it directly.

22 MR. DOWNING: Your Honor --

23 THE COURT: There's been no discovery thus far?

24 MR. DOWNING: Well, there has been some discovery.

25 THE COURT: Oh, in D.C.

1 MR. DOWNING: In D.C. that overlaps with this, I
2 think.

3 THE COURT: But I take it, Mr. Weissmann, you have
4 much more to produce?

5 MR. WEISSMANN: No, that's incorrect. We have
6 produced we think all of the tax discovery as well as the bank
7 fraud discovery. The tax discovery was produced in the fall
8 through December and the bank fraud discovery was made
9 available in the first week of January to the defense.

10 THE COURT: All right. But that doesn't mean it's
11 not complicated. Do you agree that it is?

12 MR. WEISSMANN: With respect to the case before Your
13 Honor, with all due respect, I don't think it's complicated.

14 THE COURT: All right. I think you're wrong. I
15 think you're wrong. It is. Come on. Sometimes I have
16 prosecutors in front of me who take that position and I
17 wondered to myself how would he like it if three or four weeks
18 after that he had to try a case like that. No, but I don't
19 think it should be very long, Mr. Downing. I think it can be
20 done fairly promptly.

21 Any reason why you couldn't be ready to try this
22 case beginning June 12 or June 19th? He says it's now just a
23 tax case and what else did you say, Mr. Weissmann?

24 MR. WEISSMANN: Bank fraud.

25 THE COURT: Bank fraud and taxes and essentially all

1 the documents you've had for a while.

2 MR. DOWNING: Well, I guess having the benefit of
3 having tried criminal tax cases for 15 years, I can tell you
4 this is a very complicated case.

5 THE COURT: And you're still alive. You didn't die
6 of boredom.

7 MR. DOWNING: So I disagree. I actually think there
8 are a lot of complex issues in this case. I don't think it's
9 going to be such a straight run that the Government is talking
10 about. It involves offshore activities, it involves
11 international income, it involves offshore corporate accounts.
12 So it is not cut and dry. It is not anything other than a
13 complex case.

14 The FBAR issues in this case are pretty complicated
15 too. I would say the bank fraud charges in the case --

16 THE COURT: You've just talked me into a little
17 extension. How about July 10th?

18 MR. DOWNING: I guess what I'm trying to figure out,
19 if I keep talking, do I get more of an extension or do I get
20 moved back.

21 THE COURT: Well, you see, it sometimes then begins
22 to go back the other way. If you really can't try the case by
23 the 11th of July, I need to know that. But then you'll have
24 to tell me why. I don't see any reason why you couldn't be
25 ready to try the case by then, but I don't know it as well as

1 you do and you need to -- if you really can't, you need to
2 tell me and tell me why.

3 MR. DOWNING: The case in the District is again it's
4 a very broad conspiracy that's been alleged by the Government
5 tracking activity from 2006 to 2017. This is a massive
6 indictment that involves a lot of international activity --

7 THE COURT: Let me be quick to point out, it doesn't
8 have anything to do with the Russians or Russians interfering
9 in the election.

10 MR. DOWNING: Your Honor, you made the point. I
11 don't have to make it again.

12 THE COURT: That's all right. I'm going to ask you
13 in a minute. You can think about it.

14 Do you intend to file a motion attacking the special
15 prosecutor's authority to bring such a wide ranging --

16 MR. DOWNING: We do, Your Honor. And we have --

17 THE COURT: Now, that I want to set a special
18 schedule for. So I'll come to that. But let's deal first
19 with this issue of a trial date.

20 MR. DOWNING: Your Honor, if I may. We have a
21 deadline set in D.C. for March 14th and we think within days
22 of this deadline we would have the motion for you.

23 THE COURT: March 14th of this year?

24 MR. DOWNING: Yes.

25 THE COURT: You're going to try the case?

1 MR. DOWNING: No, no, no. The motion to dismiss
2 based on the unlawful appointment of the special counsel's
3 office.

4 THE COURT: You brought that as a civil matter as I
5 understand --

6 MR. DOWNING: We have it as a civil matter, but it's
7 also going to be filed as a motion to dismiss both in D.C. and
8 here. So that's scheduled --

9 THE COURT: It's only going to be decided by one
10 judge. You filed a civil case on this issue, you filed a
11 motion in the criminal case in D.C. on this issue and you --

12 MR. DOWNING: Not yet. The motion is due on March
13 14th.

14 THE COURT: All right. You intend to?

15 MR. DOWNING: Correct.

16 THE COURT: And you intend to file one here?

17 MR. DOWNING: Correct, Your Honor.

18 Now quite frankly, Your Honor, we are in an unusual
19 situation. We have a client conspiracy, a tax conspiracy in
20 one district. And when the case was brought here for the
21 substantive counts, it's kind of an odd situation not to have
22 that married up. So that's one of the issues that we've been
23 looking at, but quite frankly the way the Government tried --

24 THE COURT: No one has asked you to do it. You'd
25 have to waive a venue situation, but you can put them all in

1 D.C. if you give up the venue.

2 That's what you proposed, is that it?

3 MR. WEISSMANN: Yes, Your Honor.

4 MR. DOWNING: We're actually thinking trying to get
5 the conspiracy to come here. We're happy to be here.

6 THE COURT: That's something, I'm sure, Mr.
7 Weissmann you don't want to try these things twice. You don't
8 want to have to -- and you're not going to have three judges
9 decide the authority issue. It's just not going to happen.

10 MR. DOWNING: Your Honor, Judge Amy Berman Jackson
11 has both the civil case and obviously the criminal case.

12 THE COURT: It's not -- it's not going to be two
13 different judges just because the things were filed. Only one
14 judge is going to address that. And -- well, unlike the
15 gentleman behind up there on the wall, I don't try to coerce
16 people into giving up rights at all. And I'm not going to
17 here. It would make sense to try it all in one district. But
18 I leave it to you all whether you wish to continue down this
19 road or not. And there are significant issues. One is an
20 appeal to the Fourth Circuit, the other is an appeal to the
21 D.C. Circuit. So there are significant issues to be sure.

22 MR. DOWNING: Your Honor, if I might return to the
23 trial date issue.

24 THE COURT: Yes.

25 MR. DOWNING: In this perfect world where I have my

1 rosy glasses on, we were envisioning that we would be trying
2 this case in November following the case in D.C.

3 THE COURT: You need to go back to the optometrist,
4 because that isn't going to happen.

5 MR. DOWNING: Okay.

6 THE COURT: You've got a trial date in September in
7 the District? Mr. Weissmann, this case seems -- maybe I'm not
8 familiar with the indictment in D.C., but this case seems less
9 complex than the one in D.C.

10 MR. WEISSMANN: That's our view as well. The tax
11 charges, as we mentioned, do largely overlap. But unlike the
12 D.C. case, there are no Foreign Agents Registration Act
13 charges before this Court. And those involve quite an
14 extensive array of evidence and different theories of
15 liability. Here we have what I think are five bank frauds and
16 they are discrete over a two-year period and the discovery has
17 been produced.

18 THE COURT: All right. Mr. Downing, I'm going to
19 set this matter in July. Now, if in the course of your
20 preparation something comes up that suggests to you that you
21 now have a more persuasive basis for me to consider on a later
22 trial date, I'll consider it. But for now, 12th of -- or not
23 12th -- 10th of July at 10 a.m. with a jury.

24 Also having that earlier deadline is an important --
25 it will focus your minds, everyone's minds on it and get this

1 matter done.

2 All right. I'm going to set a date for the filing
3 of motions -- I'm going to set the date of April 30th. And
4 the local rules will govern the filing of responses and other
5 briefs. And I'll set a hearing date for those will be on the
6 25th of May and I think I have set all the dates that I need
7 to set. The local rules will take care of any responses.

8 Now proposed jury instructions, proposed voir dire,
9 and any motions in limine will have to be filed by the 22nd of
10 June, and a hearing will be the 29th of June on any of those
11 motions. So I'll issue an order that reflects these dates and
12 it will shorten the time -- motions in limine, you'll get much
13 less time. They don't really need it. You all, I'm sure,
14 know your case quite well and you know what the other side is
15 likely to seek to limit or what you want to seek to limit
16 they're aware of.

17 So I'll put these dates in the order setting the
18 trial date of July the 10th.

19 All right. Is there anything else that needs to be
20 accomplished in this matter today?

21 Yes, is this his initial appearance?

22 MR. ANDRES: Excuse me, Judge?

23 THE COURT: Is this his initial appearance?

24 MR. ANDRES: It is, Judge.

25 THE COURT: What is the Government's -- you aren't

1 the Government necessarily -- but what's a special prosecutor
2 position with respect to conditions of release pending trial?

3 MR. ANDRES: Judge, it's the Government's view that
4 Mr. Manafort constitutes a risk of flight in light of the
5 charges, in light of the evidence, and in light of his
6 individual characteristics. And the Government's view is that
7 --

8 THE COURT: Well, the only individual characteristic
9 I'm familiar with from the probation office is that he has a
10 lot of money, property. And so he's a risk of flight because
11 someone with that wealth can easily disappear.

12 So what are you suggesting?

13 MR. ANDRES: Judge, the Government's view is that
14 Mr. Manafort, if he were to be released, should be released on
15 a substantial bond of \$10 million to include home detention
16 and electronic monitoring.

17 Just so Your Honor is aware, again -- not that it's
18 controlling in any way, but Mr. Manafort is currently on bond,
19 the same bond in the District of Columbia. The Judge there
20 has offered to allow him to be released from those conditions
21 were he to proffer sufficient property or suretors and he has
22 not yet done that.

23 So in effect he would be on the same bond that he
24 was on in the District of Columbia. I'm not aware that
25 defense has a specific bail package today.

1 Further, Your Honor, Mr. Manafort clearly has not,
2 since October, has not violated the terms of his release in
3 any way. However, he has, since that time been on electronic
4 monitoring and home detention --

5 THE COURT: He's what?

6 MR. ANDRES: He has been on electronic monitoring
7 and home detention.

8 I would just add, Judge, in addition to having a
9 significant amount of wealth, Mr. Manafort also has
10 significant ties abroad and travels frequently abroad and
11 that's an additional characteristic in terms of the bail
12 analysis.

13 THE COURT: All right. Thank you.

14 Mr. Downing, what's your view on this subject?

15 MR. DOWNING: When we started the process for bail
16 in D.C., the Government agreed with us on a package that was a
17 \$10 million surety that did not have any monitoring. The
18 court in D.C. layered monitoring on top of the \$10 million.
19 And quite frankly that combination seems more onerous than the
20 bail packages for Jeff Skilling in the Enron case or for
21 Bernie Madoff.

22 So while we do not object to the dollar amount of
23 the bond and we're about to finalize that in D.C., we think
24 the combination of a ten million dollar bond and the
25 monitoring far exceeds what the requirements are under the

1 bail act in terms of to reasonably ensure that Mr. Manafort
2 appears for trial.

3 Now we have trial dates that are set close in time.
4 Mr. Manafort has not violated any of the conditions of his
5 release. He's lived here for over 35 years right here in
6 Virginia. He's got his family here.

7 So we're dealing with the bond with the Court in
8 D.C., but I can tell you in a white collar case like this, the
9 bond package that has been proposed in D.C. by the Court is
10 incredibly onerous. And we don't think it should apply here.

11 And, Your Honor, may we approach on just two issues
12 from the pretrial services report?

13 THE COURT: What is the subject?

14 MR. DOWNING: The two personal items in here that I
15 think need to be corrected.

16 THE COURT: All right. Mr. Manafort, you have the
17 right to be present at all proceedings against you including
18 bench conferences. So you may come as well. You don't have
19 to but you may.

20 MR. DOWNING: He'll waive, Your Honor.

21 THE COURT: All right.

22 (Bench Conference.)

23 THE COURT REPORTER: Is this under seal?

24 THE COURT: This is under seal for now.

25 MR. DOWNING: On page 6 there's a reference to

1 driving under the influence. He's never had an arrest or a
2 conviction for driving under the influence. This was a
3 speeding infraction. And he was never ordered --

4 THE COURT: Why is this under seal?

5 MR. DOWNING: I didn't think this was something we
6 wanted to put out in the public. This seems pretty personal.
7 It's not true.

8 THE COURT: Well, this does not warrant being under
9 seal. That's not going to be material to my bond decision.

10 MR. DOWNING: Okay. The only other one is that this
11 was picked up from D.C. about alcohol abuse problem. It's
12 not -- it was not ever reported as an alcohol abuse problem.
13 It's incorrect. And we're going to go back and have D.C.
14 correct it and deal with pretrial services. He never said he
15 had an alcohol abuse problem.

16 THE COURT: All right. This is not under seal.

17 None of this deserves to be under seal from my view.
18 But I understand why you thought it will be better if it were,
19 but it does not deserve to be under seal. So this will be
20 transcribed, but it will be in the public record. Neither of
21 those are really material to my decision.

22 The most important factor -- and I'll repeat this --
23 is the risk of flight. And I think there is a risk of flight.
24 And I'll say this much whenever someone has a great deal of
25 money, it's quite easy to slip away. You can buy your own

1 airplane and have it ready to pick you up and take you
2 somewhere where they don't have an extradition treaty. So I
3 need to have conditions that satisfy me. And we'll talk about
4 that in open court.

5 (Bench conference ended.)

6 THE COURT: All right. Let's proceed now.

7 The issue is whether Mr. Manafort should be remanded
8 today or whether there are conditions. Of course he's
9 entitled to bail, a bond. But he is, I think, quite
10 manifestly a risk of flight. He has substantial personal
11 assets. And he faces a very substantial period of
12 incarceration if he is convicted. So there is substantial
13 incentive for someone to flee.

14 On the other hand, he has been compliant with his
15 conditions thus far. He has considerable ties to this
16 country. He is, after all, an American citizen.

17 But I think what I need is -- and it has to be
18 separate and distinct from Judge --

19 MR. WEISSMANN: Jackson.

20 THE COURT: -- Judge Jackson's bond requirements,
21 because those could be lifted at any time without even my
22 knowledge of it. I have to make sure that there are
23 conditions that satisfy me that he will appear at trial. So I
24 need to set them separately. And I don't have any opinion on
25 whether her conditions were, as you put it, onerous or not.

1 But I think he is a risk of flight.

2 I think what I'm inclined to do -- let me tell you
3 what I'm inclined to do so that you can address it. And I'll
4 change it if you persuade me.

5 I'm inclined to put him on home incarceration with
6 monitoring. Now home incarceration is distinct from home
7 confinement. Home confinement, there are usually
8 circumstances under which a defendant can leave the home with
9 probation officer's permission or something of that sort.

10 Home incarceration means that the defendant doesn't
11 go anywhere without my permission. Unless, of course, he has
12 a heart attack or something and an ambulance takes him away.
13 The issue of a bond seems to me to be less significant. He's
14 getting together a bond package, as I understand it, Mr.
15 Downing, that would satisfy the District of Columbia judge --
16 or District of Columbia -- she isn't a District of Columbia
17 judge, she's a federal judge. But it will satisfy her. And I
18 would be inclined then to review what I do because maybe the
19 same bond could suffice and same conditions. I think it's
20 always important to remember that Mr. Manafort is presumed
21 innocent and remains so unless and until a jury finds
22 otherwise.

23 And the only reason I am limiting his freedom is the
24 risk of flight. And the only way I can be reasonably assured
25 that there is reasonable assurance that he will appear is the

1 GPS or the -- I guess it's home incarceration with electronic
2 monitoring. Because that means that I would have nearly, not
3 I, but the probation office, would have nearly instantaneous
4 knowledge if he violated that. And we would then be in a
5 position to take remedial action. I don't anticipate, of
6 course, that that's at all necessary. But I don't know. So I
7 have to set those conditions. That's what I think is
8 appropriate at this time.

9 Let me say it clearly for you, Mr. Downing. I would
10 release, Mr. Downing, on a bond, I'll set the bond. But it
11 could be unsecured at this time. But he would be subject to
12 home incarceration. That is, he can't leave the house without
13 my permission unless he -- there is an exigent or an emergency
14 situation. And I would be prepared to modify that in some way
15 if you make this package that satisfies -- I'm sorry --

16 MR. DOWNING: Judge Jackson.

17 THE COURT: -- Judge Jackson, I think that might
18 have some persuasive effect on me. And I would think about
19 it. I think what she has is a \$10 million bond with home
20 confinement. I don't know what the conditions of the
21 confinement are, but I understood that she wasn't, at this
22 point, willing to give up the home confinement even with the
23 bond. But I'm not sure. I know that the only way I can have
24 reasonable assurance that he will appear is by using the home
25 incarceration until I'm presented with a bond situation that I

1 think satisfies and gives reasonable assurance that he will
2 appear.

3 Go ahead, Mr. Downing.

4 MR. DOWNING: Well, I have no problem getting the
5 Court the details of the bond package, but the restrictions on
6 Mr. Manafort would be -- many of them would be lifted under
7 the bond package that we're trying to complete with the Court
8 there.

9 THE COURT: All right.

10 MR. DOWNING: So I'm prepared to file that with you.
11 In terms of confinement of incarceration, I would say, given
12 our trial schedules and our prep for this, Mr. Manafort does
13 come into D.C. on a regular basis in terms of preparing his
14 defense for trial.

15 THE COURT: Yes, I think that's reasonable.

16 MR. DOWNING: Okay, and then the other issue that's
17 been out there is just for doctor's appointments.

18 THE COURT: Yes. That's also quite reasonable and
19 sensible.

20 MR. DOWNING: So we'd be happy to get the bond
21 package together in D.C. and submit that to the Court for its
22 review.

23 THE COURT: Well, he's now been indicted. He has
24 not fled. It will take time to impose these conditions. He
25 currently is subject to electronic monitoring, is that

1 correct?

2 MR. DOWNING: That's correct, Your Honor.

3 THE COURT: Just a moment.

4 (A brief interruption in the proceedings.)

5 THE COURT: Mr. Downing, I take it you've reviewed
6 or you've had access to the pretrial services report.

7 MR. DOWNING: Correct, Your Honor.

8 THE COURT: And do you know of any reason why the
9 finances that are reflected there are not accurate?

10 MR. DOWNING: No, Your Honor. I believe they are
11 accurate. And, Your Honor, if it helps the Court --

12 THE COURT: Tell me this, on the home confinement,
13 which he's currently on, is that right?

14 MR. DOWNING: Correct. Which is anticipated to be
15 lifted.

16 THE COURT: It's a bracelet or anklet or whatever it
17 is?

18 MR. DOWNING: Yes.

19 THE COURT: What did he do to get permission to come
20 here today? In other words, what process did he follow?

21 MR. DOWNING: The general process is that when Mr.
22 Manafort is planning on leaving his residence, he contacts his
23 pretrial services in the District of Columbia to report the
24 reason for him leaving his residence.

25 THE COURT: Is that what he did in this instance?

1 MR. DOWNING: It is, Your Honor. And also I would
2 like to add when there has been occasions when Mr. Manafort
3 needed to travel up to New York and pretrial services was able
4 to accommodate the monitoring of him during that period of
5 time while he traveled from Virginia to New York.

6 THE COURT: Well, I'm less likely to approve that.

7 MR. DOWNING: Your Honor, I would like to make one
8 point about this, which is --

9 THE COURT: Yes, go ahead.

10 MR. DOWNING: -- it's been a little confusing in
11 dealing with this matter, because the GPS monitoring is
12 supposed to be foolproof. It's there, you know where he is,
13 you know where he's located.

14 THE COURT: Let me tell you a little history about
15 that. I put somebody on GPS monitoring. It takes as much as
16 an hour or two before the word finally gets back. I've had
17 defendants make it to the Baltimore Friendship Airport in that
18 period of time. So it isn't foolproof. It isn't -- it's
19 getting better all the time.

20 MR. DOWNING: I would say the technology has
21 improved drastically in the last decade. I actually thought
22 you were going to talk about someone going for a swim in the
23 Potomac.

24 THE COURT: No. That person, I think, I would
25 remand for a mental health evaluation.

1 MR. DOWNING: Your Honor, if I may, the \$10 million
2 package that we're putting together we can do the complete
3 reporting to this Court. But you can see it's a substantial
4 amount of the real property that's owned by Mr. Manafort. And
5 it's supported by approved appraisals. And it's all been
6 scheduled out. So we can provide that with the Court. But
7 \$10 million is a substantial part of his wealth. And I will
8 tell you that if he was to flee that would leave his family in
9 ruin, because a lot of the rest of the assets in the package
10 is really highly leveraged. So this is a substantial portion
11 of his wealth that's being put up. And one of the prob- --
12 well, we substituted out that. Forget it. Withdrawn.

13 THE COURT: Is the probation officer present in the
14 courtroom?

15 THE PROBATION: Yes, Your Honor.

16 THE COURT: Come forward, if you would, please. I
17 meant to cover this with you, but I forgot it.

18 How long would it take for the probation office to
19 set up a home confinement electronic monitoring situation at
20 his home? He already has one there?

21 THE PROBATION: The issue with the monitoring that
22 he already has is I would not have access to those tracks from
23 the District of Columbia because they could not transfer the
24 monitoring to me. I do have a unit available here today so he
25 could be placed on the GPS unit this afternoon. So

1 immediately, Your Honor.

2 THE COURT: Is that a bracelet or an anklet?

3 THE PROBATION: It's a bracelet, Your Honor.

4 THE COURT: So he wears two bracelets now?

5 THE PROBATION: Yes, Your Honor.

6 THE COURT: So it could be put on him today.

7 THE PROBATION: Correct, Your Honor.

8 THE COURT: And then if I set conditions of
9 release -- and this GPS monitoring would also, you would be
10 able to monitor not just if he leaves, but where he goes.
11 Unless he saws it off or something.

12 THE PROBATION: Correct, Your Honor. What we would
13 do is I would sit down with Mr. Manafort. We would create
14 what's called a home zone. So we would know that that's his
15 primary residence. So we would always know when he's at home.
16 Anytime he needs to leave his home, he would need to give me
17 the time he's leaving, the address of where he's going and his
18 anticipated arrival back home and we would set up a zone so
19 that we would know whether or not that's where he actually
20 went. And we're able to follow his tracks during the day to
21 see if he strayed or deviated from his course of travel that
22 was approved by the probation office.

23 THE COURT: What would happen if at 2:00 in the
24 morning he left?

25 THE PROBATION: I would contact the defendant, Your

1 Honor, to see where he was. The software is not perfect.
2 Sometimes we get what are called "drift points." But that's
3 why we contact the defendant to obtain his whereabouts.

4 THE COURT: And, of course, a bracelet can always be
5 cut off.

6 THE PROBATION: Yes, Your Honor, but we would know
7 as soon as it went into a tamper state. And we would contact
8 the defendant. If he did not answer, we have an after-hours
9 warrants protocol that we would then activate.

10 THE COURT: All right. Thank you.

11 When do you anticipate being able to post the bond?
12 My thought is that if Mr. Manafort flees, that bond would be
13 gone. In other words, he would forfeit that bond once you get
14 it.

15 MR. DOWNING: Your Honor, in terms of that bond
16 package, we had one outstanding item that had to be resolved
17 with the financial institution that we resolved. So once that
18 gets filed with the Court in D.C., I think that will put
19 everything that needs to be in front of the court in D.C. for
20 final determination on a bond.

21 THE COURT: All right. I'm going to order that he
22 be placed on home confinement with electronic monitoring. And
23 the same bond. The same bond. And in terms of his leaving,
24 the only approved ones are to consult with counsel or medical
25 emergencies. Those are the two.

1 MR. DOWNING: And religious observance, Your Honor?

2 THE COURT: How often are those?

3 MR. DOWNING: Either Saturday evening or Sunday
4 morning mass.

5 THE COURT: Once a week.

6 MR. DOWNING: Yes, unless, of course, for Holy days
7 of obligation, Your Honor. The church is right here in
8 Alexandria.

9 THE COURT: All right. And let me ask the probation
10 officer. If I authorize -- if I authorize leaving the home to
11 consult with attorney -- his attorneys, or going to a
12 religious service and you know where the attorneys are and you
13 know where the religious services are, can you ascertain from
14 the equipment whether he has in fact gone to those places?

15 THE PROBATION: Yes, Your Honor, we can.

16 THE COURT: And obviously for Mr. Manafort if he
17 needs to go to a doctor for some exigent purpose, he should do
18 so. And if he's got a doctor's appointment already set up,
19 I'll probably approve that as well.

20 THE PROBATION: He would just need to give our
21 office, specifically me, all of the information so that we
22 could set the proper time out for him in our system.

23 THE COURT: And I've got to know it too.

24 THE PROBATION: I'll let you know, Your Honor.

25 THE COURT: All right. Mr. Weissmann, any objection

1 to that?

2 MR. ANDRES: No, Your Honor.

3 THE COURT: All right. That was -- Mr. Andres, any
4 objection to that?

5 MR. ANDRES: No, Judge, thank you.

6 THE COURT: We'll proceed on that. I don't
7 foreclose, Mr. Downing, that you might return to Court if you
8 can propose some more appropriate, maybe even more lenient,
9 but right now I think that that's what we'll have to do.

10 MR. DOWNING: Thank you, Your Honor.

11 THE COURT: And the reason for that is purely on the
12 facts presented to me, he is a risk of flight, and I need to
13 take steps so that I have reasonable assurance that he will
14 appear. And this, I think, gives me reasonable assurance. If
15 something arises where you need outings for some other reason,
16 other than what I've listed, don't hesitate to ask.

17 Anything further in the arraignment today, Mr.
18 Weissmann, on behalf of the Government or not the Government,
19 the special prosecutor?

20 MR. WEISSMANN: Yes, Judge. In light of the Court
21 setting a date for the trial that is outside of the 70 days
22 for the --

23 THE COURT: Yes, I will indicate that it's a complex
24 matter and I will indicate that the parties have advised the
25 Court and I think Mr. -- Mr. Downing, you would also urge it's

1 a complex matter and you need the time to prepare.

2 MR. DOWNING: Yes, I urge the Court.

3 THE COURT: I'll indicate that as well. And you're
4 fortunate, my trial docket is pretty crowded right now.

5 Anything else today? I'll issue an order setting
6 these dates.

7 MR. WEISSMANN: No, Your Honor.

8 THE COURT: Mr. Barger?

9 MR. BARGER: Yes, Your Honor. The only other
10 housekeeping is I filed the pro hac vice motion for Mr.
11 Downing. And if the Court would permit him to pay the clerk's
12 office by check, they normally only take, I think, by credit
13 card, but since he's here today --

14 THE COURT: Yes, I will.

15 MR. BARGER: And do what the Court tells him.

16 THE COURT: Yes, I will grant on the assurance that
17 you will file the fee.

18 MR. BARGER: Yes, Your Honor. I'll make sure that
19 Mr. Downing pays it.

20 THE COURT: And I'm glad to see you again.

21 MR. BARGER: It was very nice to see you, Your
22 Honor. Thank you.

23 THE COURT: Well, you can submit a speedy trial
24 waiver form, but in fact it's not only his right, it's the
25 public's right to a speedy trial. And my rulings on the

1 Speedy Trial Act accommodate the public's interest. But he
2 should also file a standard waiver, which you can supply him
3 or ask -- well, I don't see a prosecutor. Is that Mr. Richman
4 back there?

5 MR. RICHMAN: Yes, Your Honor.

6 THE COURT: He's a public defender. He'll give you
7 a form. He's got a few forms, haven't you, Mr. Richman?

8 MR. RICHMAN: I do, Your Honor.

9 THE COURT: Thank you.

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11 **(Proceedings adjourned at 2:36 p.m.)**

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1 CERTIFICATE OF REPORTER

2
3 I, Tonia Harris, an Official Court Reporter for the
4 Eastern District of Virginia, do hereby certify that I
5 reported by machine shorthand, in my official capacity, the
6 proceedings had and testimony adduced upon the Arraignment in
7 the case of the **UNITED STATES OF AMERICA versus PAUL J.**
8 **MANAFORT**, Criminal Action Number 1:18-CR-83, in said court on
9 the 8th day of March, 2018.

10 I further certify that the foregoing 35 pages
11 constitute the official transcript of said proceedings, as
12 taken from my machine shorthand notes, my computer realtime
13 display, together with the backup tape recording of said
14 proceedings to the best of my ability.

15 In witness whereof, I have hereto subscribed my
16 name, this the 13th day of March, 2018.

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Tonia M. Harris, RPR
Official Court Reporter